



The Daily

Statistics Canada

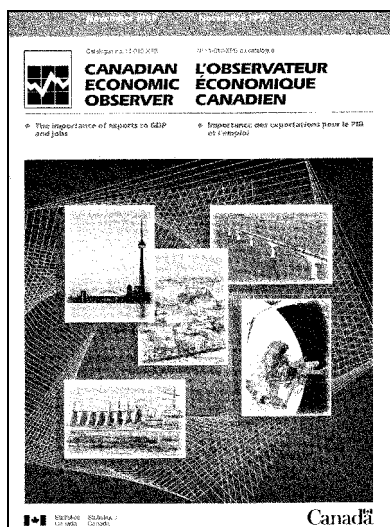
Thursday, November 18, 1999

For release at 8:30 a.m.

MAJOR RELEASES

- **Canadian international merchandise trade, September 1999** 3
Exports fell 3.2% in September, offsetting most of August's increase. Imports increased for the eighth straight month.
- **Wholesale trade, September 1999** 6
Following nine consecutive monthly increases, wholesale sales declined 1.0% in September, due in large part to a 9.8% drop in sales by wholesalers of computers, packaged software and other electronic machinery.

(continued on following page)



Canadian economic observer

November 1999

The November issue of Statistics Canada's flagship publication for economic statistics, *Canadian economic observer*, analyses current economic conditions, summarizes the major economic events that occurred in October and presents a feature article on the importance of exports to GDP and jobs. A separate statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and the major industrial nations.

The November 1999 issue of *Canadian economic observer* (11-010-XPB, \$23/\$227) is now available. See *How to order publications*.

For further information, contact Cyndi Bloskie (613-951-3634; ceo@statcan.ca), Current Economic Analysis Group.



OTHER RELEASES

Export and import price indexes, September 1999	9
Construction Union Wage Rate Index, October 1999	9
Selected financial indexes, October 1999	9
Restaurant, caterers and taverns, September 1999	9
Steel primary forms, week ending November 13, 1999	10

PUBLICATIONS RELEASED

11

MAJOR RELEASES

Canadian international merchandise trade

September 1999

Exports fell 3.2% in September, offsetting most of August's increase. Imports increased for the eighth straight month.

The main contributor to the drop in exports was the automotive sector, which declined in September after a record high in August. Lower exports of gold, uranium and miscellaneous wood products, particularly to the United States, also contributed to the decrease.

Imports increased for the eighth straight month and now stand 6.7% higher compared with February of this year. However, the rate of increase has slowed, as surging imports of crude and fuel oil, fertilizers, medications and gold were almost completely offset by a sharp drop in imports of automotive products, drilling equipment, airplanes and computers.

The trade balance fell to \$2.5 billion in September, but the cumulative balance of \$24 billion since January remains almost double that for the January to September 1998 period.

Note to readers

Merchandise trade is one component of the current account of Canada's balance of payments, which also includes trade in services.

The decline in the automotive sector drives exports down

The 3.2% drop in total exports in September was caused mainly by a decline in the automotive sector. In particular, car and truck exports plummeted by 13.5% and 11.9% respectively. However, these decreases did not cancel out last month's increases, with the result that third-quarter figures for the automotive sector stood 4.9% higher compared with the second quarter.

Exports of industrial goods were down 4.0% in September, chiefly due to lower exports of gold, uranium and petrochemical products, mainly to the United States. The decrease was somewhat offset by higher exports of metals and minerals, particularly zinc, nickel and copper. Closures of unproductive mines, the Asian recovery and strong U.S. demand for construction metals contributed to these increases.

The drop in exports of forestry products to the United States was not unexpected, given that September is the last month in the quarter for quotas. However, measures implemented by the Japanese government to stimulate construction caused a recovery in exports of wood products to Japan. Strong Asian demand for Canadian wood pulp also drove prices up.

Strong airplane, helicopter and locomotive exports in September led to the advance in machinery and equipment exports. However, these increases were almost completely offset by a sharp drop in exports of navigation equipment and computers.

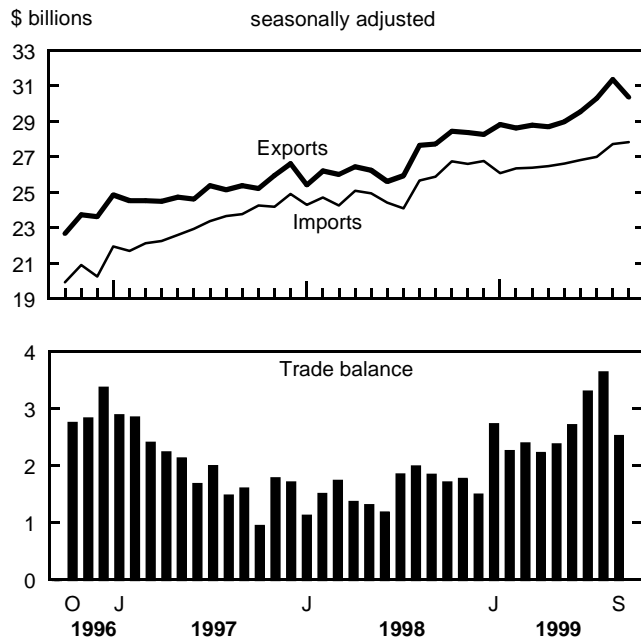
Rising energy prices pushed up exports of crude oil, as well as petroleum and coal products in September. The increase for crude was purely price-driven, with export volumes for crude falling 11%.

Imports continue their upward trend

Imports rose in September, primarily because of a strong increase in crude and fuel oil imports. Crude oil import prices increased 64% since September 1998, which contributed to the postponement of inventory stockpiling for winter demand until September.

The introduction of new pharmaceutical products from the United States into the Canadian market

Exports, imports and trade balance



accounted for most of the increase in the other consumer goods sector.

Computer imports fell for the fourth consecutive month. Restructuring in this sector, along with the Year 2000 transition, appear to have had an effect both on importers and wholesalers, who also recorded falling sales. These decreases, together with lower imports of airplanes and drilling equipment hurt the entire machinery and equipment sector. There was some offset provided by higher imports of metalworking and assembly line machinery, as the automotive industry increased production capacity, and moved from 1999 models to 2000 models.

Flooding in North Carolina contributed to a slow-down in production at a number of North American automotive plants, pushing down imports of parts, passenger cars and trucks.

Revisions

In general, merchandise trade data are revised on an ongoing basis for each month of the current year. Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates with actual figures (once available), changes in classification of merchandise based on more current information,

and seasonal adjustments. Consult the appropriate CANSIM matrices for revised data.

Available on CANSIM: matrices 3618, 3619, 3651, 3685-3699, 3701-3711, 3713, 3720, 3887-3913, 8430-8435 and 8438-8447.

This release contains a summary of the merchandise trade data to be published shortly in *Canadian international merchandise trade* (65-001-XPB, \$19/\$188 or 65-001-XIB, \$14/\$141). The publication will include tables by commodity and country on a customs basis. Current account data (which incorporate merchandise trade statistics, service transactions, investment income and transfers) are available quarterly in *Canada's balance of international payments* (67-001-XPB, \$38 /\$124). See *How to order publications*.

Readers wishing to receive merchandise trade data on a more timely basis may obtain them by fax on the morning of release.

For further information, or to enquire about the concepts, methods, or data quality of this release, contact Jocelyne Elibani, (613-951-9647; 1 800 294-5583), Marketing and Client Services Section, International Trade Division. □

Merchandise trade

	Aug. 1999 ^r	Sept. 1999	Aug. to Sept. 1999	Sept. to Sept. 1999	Jan. to Sept. 1998	Jan. to Sept. 1999	Jan.-Sept. 1998 to Jan.-Sept. 1999
Seasonally adjusted, \$ current							
	\$ millions		% change		\$ millions		% change
Principal trading partners							
Exports							
United States	27,164	26,146	-3.7	11.4	197,150	228,191	15.7
Japan	730	736	0.8	-6.0	7,163	6,845	-4.4
European Union	1,625	1,506	-7.3	2.0	13,428	13,364	-0.5
Other OECD countries ¹	574	685	19.3	-4.1	5,615	5,145	-8.4
All other countries	1,254	1,274	1.6	-0.5	13,840	11,844	-14.4
Total	31,347	30,347	-3.2	9.5	237,198	265,388	11.9
Imports							
United States	21,095	21,129	0.2	6.0	171,393	185,048	8.0
Japan	882	902	2.3	11.4	7,332	7,698	5.0
European Union	2,467	2,580	4.6	22.6	18,850	20,763	10.1
Other OECD countries ¹	1,250	1,062	-15.0	-0.7	8,401	9,445	12.4
All other countries	2,018	2,152	6.6	10.0	17,327	18,292	5.6
Total	27,712	27,825	0.4	7.5	223,304	241,245	8.0
Balance							
United States	6,069	5,017	...	...	25,757	43,143	...
Japan	-152	-166	...	...	-169	-853	...
European Union	-842	-1,074	...	...	-5,422	-7,399	...
Other OECD countries ¹	-676	-377	...	...	-2,786	-4,300	...
All other countries	-764	-878	...	...	-3,487	-6,448	...
Total	3,635	2,522	...	...	13,894	24,143	...
Principal commodity groupings							
Exports							
Agricultural and fishing products	2,135	2,140	0.2	-0.8	18,698	18,991	1.6
Energy products	2,658	2,770	4.2	29.7	18,268	20,898	14.4
Forestry products	3,297	3,296	0.0	13.0	26,082	28,874	10.7
Industrial goods and materials	4,939	4,741	-4.0	0.6	43,400	42,218	-2.7
Machinery and equipment	7,175	7,206	0.4	8.6	58,769	62,423	6.2
Automotive products	8,854	7,931	-10.4	13.0	54,157	71,663	32.3
Other consumer goods	1,138	1,106	-2.8	1.7	9,159	10,186	11.2
Special transactions trade ²	630	632	0.3	21.8	3,864	5,504	42.4
Other BOP adjustments	522	525	0.6	-0.6	4,804	4,634	-3.5
Imports							
Agricultural and fishing products	1,479	1,460	-1.3	2.0	12,804	13,196	3.1
Energy products	887	1,136	28.1	56.7	6,683	7,238	8.3
Forestry products	233	238	2.1	15.5	1,843	2,037	10.5
Industrial goods and materials	5,193	5,246	1.0	3.1	44,776	45,665	2.0
Machinery and equipment	9,100	9,007	-1.0	2.7	74,712	79,914	7.0
Automotive products	6,728	6,593	-2.0	15.2	48,059	56,647	17.9
Other consumer goods	3,068	3,152	2.7	7.7	25,338	27,395	8.1
Special transactions trade ²	498	470	-5.6	-12.1	4,817	4,550	-5.5
Other BOP adjustments	526	523	-0.6	11.5	4,271	4,603	7.8

^r Revised figures.

... Figures not appropriate or not applicable.

¹ Includes Australia, Iceland, Mexico, New Zealand, Norway, Switzerland, Turkey, Poland, South Korea, Hungary and the Czech Republic.

² These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.

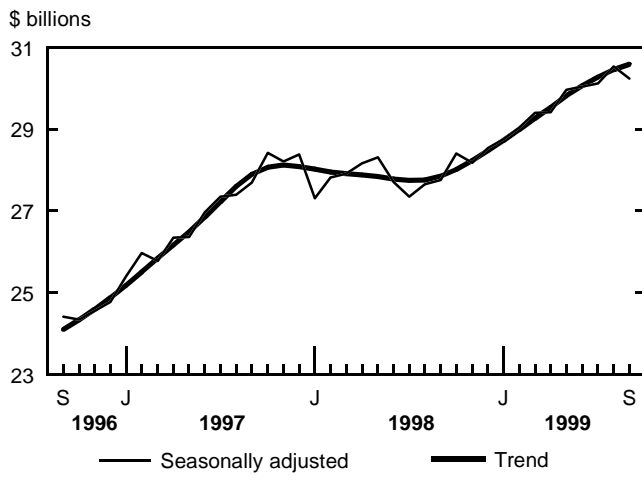
Wholesale trade

September 1999 (preliminary)

Following nine consecutive monthly increases, wholesale sales declined 1.0% in September, due in large part to a 9.8% drop in sales by wholesalers of computers, packaged software and other electronic machinery. Without the influence of the computer sector, sales would have remained unchanged from August. Despite Septembers' decline, overall sales were up 9.0% over the same month last year.

Also, third quarter sales were up 1.7% over second quarter results, the fourth consecutive quarterly increase. Except for a levelling off during the first half of 1998, overall wholesale sales have been trending upward for several years.

Wholesale sales stumble in September



Wholesalers reported sales totalling \$30.2 billion during September. Five of 11 sectors showed increases, led by wholesalers of farm machinery, equipment and supplies (+7.3%) followed by a 2.3% rise in sales among wholesalers of beverage, drug and tobacco products. Wholesalers of computers, packaged software and other electronic machinery recorded the most severe decline (-9.8%), with wholesalers of household goods posting the second largest percentage drop (-2.6%).

Wholesale sales decline within the computer sector

Contributing to lower sales among wholesalers within the computer sector was consumer concern

relating to Y2K. Indications from several of the larger wholesalers within this sector point to what they see as the reluctance of customers to buy new computer related technologies as the year 2000 approaches. The earthquake in Taiwan may also have hampered the availability of computer chips during September, thereby hurting wholesale sales and pushing inventory down. Canada's international trade data for September shows the value of imports of office machines and equipment down 5.8% and exports down 3.1% from August levels.

Despite Septembers' weaker sales, third quarter computer sector sales remained 2.1% higher compared with the previous quarter. This marks the sixth consecutive quarterly increase. Except for a brief lapse in early 1998, sales within the computer sector have been generally rising for several years.

For the third consecutive month, wholesalers of lumber and building materials posted slower sales (-2.0% in September). The 0.1% decline in the third quarter follows four quarters of strong increases. The general level of sales had peaked in July and has headed slightly downward since then. Demand for Canadian building materials is waning in the face of reduced orders for private construction and building materials in the United States. At the same time, the price for lumber, sawmill and other wood products fell in September.

Wholesale sales of motor vehicles, parts and accessories were essentially unchanged from August. A drop in U.S. retail sales of cars and light trucks during September had a dampening effect on Canadian wholesale sales. Following a period of diminishing sales from the fall of 1997 until mid-1998, wholesale sales of motor vehicles, parts and accessories have generally been escalating.

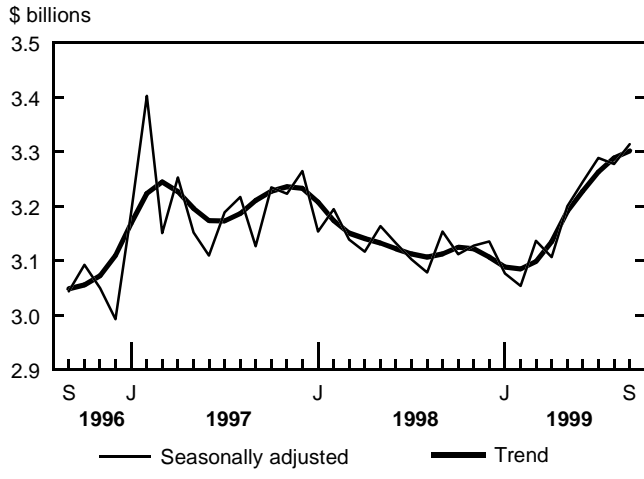
Wholesalers of farm machinery, equipment and supplies reported a 7.3% increase in sales as the harvesting season began. Despite the increased activity compared with August, sales in September were 6.7% lower compared with September 1998. Except for a brief pause in early 1999, sales have generally fallen uninterrupted since the autumn of 1997.

Wholesale sales revive in British Columbia

Sales by wholesalers in British Columbia increased 1.1% in September, the fourth increase in the last six months. The second and third quarters of 1999 have seen strong increases of 3.1% and 3.4% respectively. This recent upward movement in sales for wholesalers in British Columbia follows more than a year of generally declining sales. Despite the slowdown in the lumber sector, other wholesaling

activity in British Columbia may be benefitting from the ongoing Asian recovery and increased petroleum related activity in Alberta.

British Columbia wholesalers are back up to speed



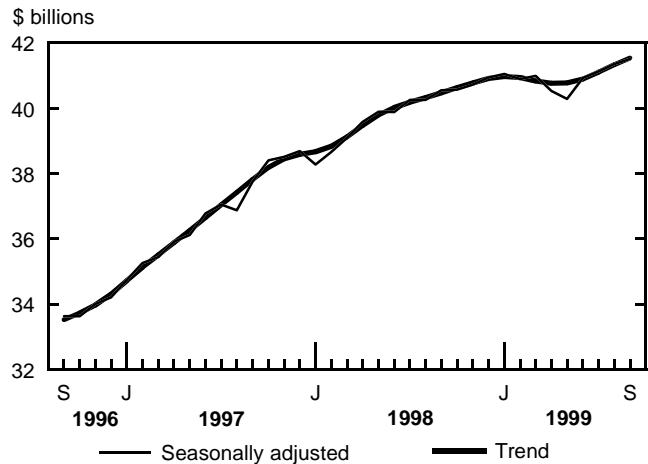
On the east coast, Prince Edward Island was the only province with increased wholesale sales in September (+5.0%), the food sector being a major contributor. A common element in the September declines in Newfoundland (-5.5%), Nova Scotia (-1.7%) and New Brunswick (-3.2%) was weakness within the lumber and building materials sector. Nova Scotia was the only province in Canada where wholesalers experienced a quarterly decline. After generally rising since mid-1998, sales in Nova Scotia have turned downward since the spring of 1999. This may be related to an ebbing of construction associated with the Sable Island project, which is nearing completion.

Inventories climb higher

Across all sectors, inventories rose 0.4% in September, bringing the level of inventories held by wholesalers to \$41.5 billion. This marks the fourth consecutive monthly increase. Despite the overall increase, wholesalers of computers, packaged software and other electronic machinery saw their

inventory decrease 1.9%. Although the overall level of inventories held by wholesalers dropped slightly during the first quarter of 1999, wholesalers are again increasing their stocks to new highs as has been the case for the past several years.

Overall, wholesalers are holding increasing levels of inventory



The inventories-to-sales ratio rose from 1.35 in August to 1.37 in September. The ratio has fluctuated around 1.35 for the last six months, the same level seen in late 1997. Since 1997, the ratio had climbed to 1.45 by mid-1998 and has since fallen to its current level.

Available on CANSIM: matrices 59, 61, 648 and 649.

The September 1999 issue of *Wholesale trade* (63-008-XIB, \$14/\$140) will be available shortly. See *How to order publications*.

For data or general information, contact the Client Services Unit (613-951-3549; wholesaleinfo@statcan.ca) or dial toll free 1 877 421-3067. To enquire about concepts, methods and data quality of this release, contact Greg Parsons (613-951-0062; parsons@statcan.ca), Wholesale Trade Section, Distributive Trades Division. □

Wholesale merchants' sales and inventories

	September 1998	June 1999 ^r	July 1999 ^r	August 1999 ^r	September 1999 ^p	August to September 1999	September 1998 to September 1999
seasonally adjusted							
	\$ millions					% change	
Sales, all trade groups	27,748	30,038	30,113	30,534	30,236	-1.0	9.0
Food products	4,408	4,649	4,497	4,662	4,646	-0.4	5.4
Beverage, drug and tobacco products	1,873	1,927	1,922	1,953	1,998	2.3	6.7
Apparel and dry goods	549	528	508	545	538	-1.3	-2.0
Household goods	783	828	840	829	808	-2.6	3.1
Motor vehicles, parts and accessories	4,818	5,612	5,781	5,978	5,979	0.0	24.1
Metals, hardware, plumbing and heating equipment and supplies	1,879	2,002	1,936	1,996	1,994	-0.1	6.2
Lumber and building materials	2,080	2,365	2,362	2,342	2,295	-2.0	10.4
Farm machinery, equipment and supplies	669	628	602	581	624	7.3	-6.7
Industrial and other machinery, equipment and supplies	4,107	4,336	4,378	4,433	4,463	0.7	8.7
Computers, packaged software and other electronic machinery	2,740	3,136	3,304	3,310	2,985	-9.8	8.9
Other products	3,842	4,028	3,984	3,904	3,905	0.0	1.7
Sales by province and territory							
Newfoundland	186	224	224	230	217	-5.5	16.7
Prince Edward Island	49	50	49	59	62	5.0	25.8
Nova Scotia	507	586	562	575	566	-1.7	11.6
New Brunswick	344	367	365	387	374	-3.2	8.7
Quebec	5,668	6,128	6,165	6,307	6,318	0.2	11.5
Ontario	13,520	14,876	14,937	15,166	14,838	-2.2	9.7
Manitoba	945	947	957	951	930	-2.2	-1.6
Saskatchewan	822	911	892	873	901	3.2	9.7
Alberta	2,527	2,679	2,650	2,683	2,693	0.4	6.6
British Columbia	3,154	3,245	3,289	3,278	3,314	1.1	5.1
Yukon	10	9	9	9	9	0.4	-8.8
Northwest Territories	..	12	12	13	12	-8.2	..
Nunavut	..	2	2	2	2	-25.3	..
Inventories, all trade groups	40,544	40,919	41,117	41,342	41,500	0.4	2.4
Food products	2,677	2,777	2,750	2,771	2,726	-1.6	1.8
Beverage, drug and tobacco products	2,132	2,343	2,399	2,390	2,458	2.8	15.3
Apparel and dry goods	1,280	1,224	1,248	1,246	1,302	4.5	1.8
Household goods	1,541	1,566	1,510	1,489	1,483	-0.4	-3.8
Motor vehicles, parts and accessories	5,644	5,866	6,071	6,075	6,072	0.0	7.6
Metals, hardware, plumbing and heating equipment and supplies	3,592	3,528	3,525	3,548	3,599	1.4	0.2
Lumber and building materials	3,661	3,678	3,673	3,782	3,741	-1.1	2.2
Farm machinery, equipment and supplies	2,368	2,161	2,138	2,187	2,176	-0.5	-8.1
Industrial and other machinery, equipment and supplies	9,886	10,149	10,144	10,234	10,366	1.3	4.9
Computers, packaged software and other electronic machinery	2,542	2,579	2,570	2,589	2,539	-1.9	-0.1
Other products	5,220	5,048	5,088	5,032	5,039	0.1	-3.5

^r Revised figures.

^p Preliminary figures.

.. Figures not available.

OTHER RELEASES

Export and import price indexes

September 1999

Current- and fixed-weighted export and import price indexes (1992=100) on a balance-of-payments basis are now available. Price indexes are listed from January 1992 to September 1999 for the five commodity sections and the major commodity groups (62 exports and 61 imports).

Current- and fixed-weighted U.S. price indexes (1992=100) are also available on a customs basis. Price indexes are listed from January 1992 to September 1999. Included with the U.S. commodity indexes are the 10 all countries and U.S. only standard international trade classification (SITC) section indexes.

Indexes for the five commodity sections and the major commodity groups are also now available on a customs basis.

Available on CANSIM: matrices: 3618, 3619, 3651, 3685, 8430-8435, and 8438-8447.

The September 1999 issue of *Canadian international merchandise trade* (65-001-XPB, \$19/\$188 or 65-001-XIB, \$14/\$141) will be available shortly. See *How to order publications*.

For further information, or to enquire about the concepts, methods or data quality of this release, contact Jocelyne Elibani (613-951-9647 or 1 800 294-5583), Marketing and Client Services Section, International Trade Division. ■

Construction Union Wage Rate Index

October 1999

The Construction Union Wage Rate Index (including supplements) remained unchanged in October from September at 114.5 (1992=100). The composite index increased 2.1% compared with October 1998.

Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes on a 1992=100 time base are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

Available on CANSIM: matrices 956, 958 and 9922-9927.

The fourth quarter 1999 issue of *Construction price statistics* (62-007-XPB, \$24/\$79) will be available in March 2000. See *How to order publications*.

For more information, or to enquire about the concepts, methods, and data quality for this release, contact Louise Chaîné (613-951-3350; infounit@statcan.ca, fax: 613-951-1539) Client Services Unit, Prices Division. ■

Selected financial indexes

October 1999

October figures are now available for selected financial indexes including conventional mortgage rates, prime business lending rates, provincial bond yield averages and exchange rates on 1992=100 time base.

Available on CANSIM: matrix 9928.

These indexes will appear in the fourth quarter 1999 issue of *Construction price statistics* (62-007-XPB, \$24/\$79), available in March 2000. See *How to order publications*.

For more information, or to enquire about the concepts, methods, and data quality for this release, contact Louise Chaîné (613-951-3350; fax: 613-951-1539; infounit@statcan.ca), Client Services Unit, Prices Division. ■

Restaurant, caterers and taverns

September 1999

Estimated total receipts of restaurants, caterers and taverns for September total \$2.39 billion, an increase of 4.2% over the September 1998 estimate. Historical revisions to the 1991-1998 estimates are also now available.

Available on CANSIM: matrix 62.

For more information, or to enquire about the concepts methods and data quality of this release, contact Bill Birbeck (613-951-3506), Services Industries Division. ■

Steel primary forms

Week ending November 13, 1999 (preliminary)

Steel primary forms production for the week ending November 13, 1999, totalled 317 251 tonnes, up 20.4% from the week-earlier 263 414 tonnes and up 16.6% from the year-earlier 272 189 tonnes. The cumulative total at the end of the week was 13 946 501 tonnes,

compared with 13 890 726 tonnes for the same period in 1998.

For more information, or to enquire about the concepts, methods, or data quality of this release, contact Greg Milsom (613 951-7093; milsomg@statcan.ca), Manufacturing, Construction and Energy Division. ■

PUBLICATIONS RELEASED

Canadian economic observer, November 1999
Catalogue number 11-010-XPB
(Canada: \$23/\$227; outside Canada: US\$23/US\$227).

Consumer Price Index, October 1999
Catalogue number 62-001-XPB
(Canada: \$11/\$103; outside Canada: US\$11/US\$103).
Available at 7:00 a.m. on Friday, November 19.

All prices exclude sales tax.

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

How to order publications

Simplify your data search with the *Statistics Canada Catalogue* (11-204-XPE, \$16; outside Canada: US\$16).

Its keyword index will guide you to statistics on Canada's social and economic activity.

Order publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call: **1-800-267-6677**
From other countries call: **1-613-951-7277**
To fax your order: **1-877-287-4369**
Address changes or account inquiries: **1-800-700-1033**

To order a publication by mail write: Statistics Canada, Circulation Management, Operations and Integration Division, Ottawa, K1A 0T6. Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

To order by Internet: write to order@statcan.ca or download an electronic version by accessing Statistics Canada's Web site (www.statcan.ca), under the headings *Products and services*, *Downloadable publications*.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.

Catalogue 11-001E (P) Article 11-001E/ISSN 0377-6445

The Daily
Statistics Canada

Thursday, June 3, 1997
For release at 9:30 a.m.

MAJOR RELEASES

- **Urban transit, 1995** 2
Discards the stereotypes on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 2.5 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
Growth in productivity among Canadian businesses was noticeably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

- **High-wind index, May 1997** 3
- **Short-term Expectations Survey** 3
- **Steel primary forms, year ending May 31, 1997** 10
- **Egg production, April 1997** 12

PUBLICATIONS RELEASED 11

Statistics Canada

Statistics Canada's official release bulletin

Catalogue 11-001E.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by E-mail, send an E-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Dan Smythe (613-951-1103, smytdan@statcan.ca)
Head of Official Release: Chantal Prévost (613-951-1088), prevcha@statcan.ca

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1999. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.